



## **MEMORANDUM**

To: Dave Calhoun, CEO

From: The Boeing Media Team

Date: March 20, 2024

Subject: Being the CCO: Boeing Briefing Report and Media Reaction #3

## **SUMMARY OF PRIOR RECOMMENDATION**

The top priority should be hiring new employees for quality assurance in our Boeing 737 MAX production line.

## **REACTIONS TO OUR OUTREACH**

Boeing has frequented the news over the last few weeks. The most noteworthy articles have been on [the death of Boeing whistleblower John Barnett](#), the company [failing a large portion of the Federal Aviation Administration's audit into 737 Max production issues](#), and [a wheel falling off a Boeing plane during takeoff in San Francisco](#). In all cases, reactions have been mixed to negative, as users felt their negative views were being justified by new information.

We have been quiet on [X.com \(Twitter\)](#) since the beginning of February in the United States. Our [UK/Ireland account](#) has remained active, posting for topics like International Women's Day and internships/apprenticeships. Boeing has continued posting on [LinkedIn](#), though posts published in the days following articles on the death of a whistleblower and the results of the FAA audit have seen comment sections hijacked by negative users. On [Facebook](#), recent posts have also been flooded with negative comments, especially those from the aforementioned period.

Internally, Boeing has not published releases regarding quality control issues since March 1, when a [statement was released on discussions with Spirit AeroSystems](#). The statement reassures stakeholders that Boeing is working closely with Spirit to improve safety and quality while serving their interests. Other published releases cover expanding fleets [in Ethiopia](#) and [the United States](#), [a charitable effort in Texas and Oklahoma](#), [a speaking engagement for CFO Brian West](#) and [a Space Force contract](#). The lack of a public response from Boeing on recent issues is potentially damaging, [especially as internet users and portions of the media encourage conspiracy theories on the death of Barnett](#).

## **MEDIA REACTION**

- [F.A.A. Audit of Boeing's 737 Max Production Found Dozens of Issues](#) (New York Times) ([CBS News](#)) ([CNN](#))
- [Boeing whistleblower John Barnett found dead in US](#) (BBC News) ([NYT](#)) ([NY Post](#))
- [Tire falls off United Airlines flight immediately after takeoff in San Francisco, damaging several cars](#) (CNN)



## ANALYSIS OF COVERAGE

### Audit of Boeing's 737 Max Production Found Dozens of Issues

- Coverage of Boeing's production assessment was largely negative, with framing of the story being neutral, yet permitting negative sentiment.
- [The New York Times](#) article states that tests conducted by the FAA on Boeing's 737 Max jets were prompted by the Alaska Airlines incident. These tests highlight Boeing's negligence for assessing product quality and has continues to promote their reputation of poor quality aircraft.

### Boeing Whistleblower Found Dead in US

- Coverage of Boeing's whistleblower John Barnett being found dead at 63 has led to significantly negative media attention, with many people holding Boeing responsible for his death.
- [The Guardian](#) article highlights the life and career of Barnett, detailing the events that inspired him to speak out against Boeing's production standards. In a semi-positive tone, the Guardian mentions that Barnett's death is an ongoing investigation and that it is important to not sensationalize this tragic event or place the blame on anyone until the reasons behind his death have been confirmed.

### Tire Falls of United Airlines Flight Immediately After Takeoff in San Francisco

- Coverage of the tire falling off the United Airlines flight led to negative sentiment. Blame was immediately placed on Boeing rather than United Airlines, due to Boeing's reputation of poor quality planes.
- [ABC News](#) describes what happened to the United Airlines flight, initially bound for Osaka, Japan. The article mentions that Boeing flights are meant to withstand the loss of a tire and be able to safely make a trip without all plane tires, but highlights that fallen wheels are not normal and a wheel that falls could have damage to its surrounding environment.

## IMPACT

Boeing failing a significant portion of FAA testing, prompted from the Alaska Airlines incident, has prompted negative sentiment. These tests support the public's growing concerns of Boeing not prioritizing aircraft safety. This news serves as the common denominator for recent incidents regarding Boeing's jet quality, and has led consumers to become increasingly weary about flying Boeing planes.

The death of Boeing whistleblower Josh Barnett is perhaps the greatest concern we have faced in regards to Boeing's response to recent scrutiny. While police are still investigating



Barnett's death, many consumers are placing the blame on Boeing, especially on social media platforms. Boeing has been notably silent regarding their plane incidents and failed safety checks, but failing to speak on the death of a former employee has enabled audiences to put the blame on them.

The United Airlines tire incident is an example of how Boeing's quality issues have an effect on more than their stakeholders. The departed wheels hit several parked cars, but it sheds light to the potential damage that could have happened if a wheel fell on a moving car, or even a person. While the time of this plane's production has not been disclosed, the recency of this event shows Boeing's lack of responsiveness to this ongoing crisis.

### **RECOMMENDED PUBLIC ACTIONS**

There has been little activity on our social media platforms. If we don't immediately put together a strategic cross-media content plan and implement it within the next two weeks, we'll have to prepare ourselves to lose some of our stakeholders.

Our stock price has dropped by 11.09 percentage points in the last month alone. This trend will undoubtedly worsen if we continue to take almost no action that demonstrates to our stakeholders our commitment to improving our quality assurance, especially regarding the Boeing 737 MAX.

### **RECOMMENDED MANAGEMENT ACTIONS**

We should manage our financial resources wisely to have sufficient reserves in case of declining orders. Therefore, we would suggest the following prioritization for budgeting:

Our priority should be hiring new employees for quality assurance in our Boeing 737 MAX production line. These new employees could, for example, form an additional control instance that thoroughly examines a new Boeing 737 MAX for possible production defects before the aircraft is delivered. The more layers of quality control, the better. However, this requires more skilled workers.

The second priority should be hiring a social media team to implement our strategic cross-media plan. A new social team will freshen up the workplace and help us rebuild our relationships with consumers.

Engaging tech influencers to spread testimonials about our 737 MAX series should be the last priority in budgeting. This is mainly because they would demand significantly more money. We also run the risk of the campaign backfiring because the public could perceive them as image polishers whom we offered good money to. "Trust cannot be bought. It must be earned." - Something along those lines could then be thrown at us. Thus, the hiring of testimonial speakers should only be a last resort if the other two measures do not show sufficient effect.